

Budget Priorities

Development of the Annual Fiscal Year 2003 Budget presented many fiscal challenges. The demand for public services continues to exceed the funds available to supply them. As a result of lower than expected revenue and continued uncertainty about economic recoveries for the local region and state, priorities were evaluated in developing the annual budget. The following list identifies the City's Budget Priorities for Fiscal Year 2003.

- Public Safety
- Neighborhood Services
- Protection and Enhancement of the Environment

Public Safety

Public Safety continues to be a high budget priority for the City of San Diego in Fiscal Year 2003. As the events of September 11, 2001 forever changed the nation's view of public safety, San Diego's resources will be utilized to assist in keeping San Diego safe. Toward this end, more police officers will be assigned to communities, a pilot Regional Fire and Rescue Helicopter Program was implemented, and enhanced emergency medical services will be provided.

Police

The San Diego Police Department continues to maintain its prominent role as a leader in Problem-Oriented Policing. Recent efforts made toward the use of "less lethal" tactics to respond to violent offenders are a prime example of the Department's desire to provide public safety services of the highest quality and to provide those services to all members of the community. The last several years have brought new technologies into residents' everyday lives and with these new technologies have come new forms of criminal activities. In addition, Homeland Security and concerns over terrorist attacks are new areas that place additional demands on police resources.



San Diego remains one of America's safest large cities. However, crime rates nationwide have increased and unfortunately, San Diego is no exception. San Diego has experienced increases in both major categories, violent crimes and property crimes. Violent crimes (murder, rape, robbery and aggravated assault) are up 3.4 percent and property crimes (burglary, theft and vehicle theft) are up 9.8 percent. It is, therefore, extremely important for the Police Department to maintain adequate levels of police officers on the street.

During the last year, the Department has continued its efforts to implement its "less lethal" tactical philosophy. Thirty-one (out of 100) Use of Force Task Force recommendations have been implemented or are in the process of being implemented. The Police Department absorbed the costs for implementation of the first thirty-one recommendations, including the costs for an increase in canine units and replacement light bars. Many of the outstanding recommendations can be implemented at no-to-low cost. Others, such as an

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increase in Homeless Outreach Team/Psychiatric Evaluation Response Teams, require additional funding.

To effectively combat specialized areas of crime, the Department has formed many specialty teams and has participated in joint task forces. Areas such as Internet crimes, as well as elder abuse and child abuse, are examples of crimes that require special expertise. The creation of these special teams adds to the Department's staffing responsibilities and depletes patrol officer staffing. The basic function of responding to emergency calls for service must remain a priority. Adequate staffing levels are crucial to the

Department's efforts to maintain a sufficient number of officers in the field and to develop additional crime prevention programs in partnership with residents.



Since September 11, 2001, the Police Department has been involved in a number of security measures including providing a higher level of security for the City Administration Building as well as increased staffing at Chargers and Padres games and other special events. Additionally, the Department is able to provide recommendations on security issues by participating on the City's Security Task Force. As the focus on Homeland Security continues, there will be a greater demand on our police officers.

The Police Department is committed to developing an even stronger relationship with the residents of San Diego and working with those residents in addressing public safety issues and problems contributing to crime in each of the City's 103 neighborhoods. Each additional police officer supports the effort to make our neighborhoods safer and more livable.

The Annual Fiscal Year 2003 Budget includes the following:

- Addition of 10.00 new police officers who will be assigned to field operations.
- Transfer of 10.00 additional vacant positions from throughout City General Fund departments to the Police Department as a means to "civilianize" 10.00 administrative positions now occupied by sworn personnel and transfer the sworn personnel to field operations.

The net result to the community is 20.00 additional police officers working in field operations to strengthen the Police Department's efforts with Neighborhood Policing.

The cost of adding 10.00 new police officers in Fiscal Year 2003 will be \$847,375, which includes costs for support departments and reflects entry level salaries. Additionally, this first year cost reflects nine months worth of expenses due to the scheduling of the San Diego Regional Academy.

There was no fiscal impact associated with the transfer of 10.00 positions from throughout City General Fund departments to the Police Department since this was a transfer of existing positions.

Fire and Life Safety

Included in the Annual Fiscal Year 2003 Budget is \$470,000 for the pilot San Diego Regional Fire and Rescue Helicopter Program. The Program is designed to provide the San Diego area with a helicopter for firefighting and rescue operations during a ninety-day period, from August 8 through November 6, 2002, which is generally regarded as the height of the wildfire season. This included \$367,620 for the cost of the helicopter service itself. Personnel costs were estimated at \$102,380. Although other air resources are assigned to this area from the U.S. Forest Service and the California Department of Forestry, they are frequently deployed elsewhere in the state. The San Diego Regional Fire and Rescue Helicopter Program would ensure the availability of a helicopter within the San Diego County area. Following its inauguration in early August, the helicopter program was credited with preserving at least one home from loss during a fire incident, and was instrumental in protecting other property in a second incident.

Funding sources for this program included:

- \$230,000 from the Service Authority for Freeway Emergencies (SAFE)
- \$ 50,000 from the County of San Diego
- \$200,000 from Council District 2 Fiscal Year 2002 discretionary funds (An expense of \$10,000 was incurred in Fiscal Year 2002)



Emergency Medical Services

The San Diego Medical Services Enterprise (SDMSE), Limited Liability Company (LLC) Board of Directors approved the Emergency Medical Services (EMS) Program Annual Fiscal Year 2003 Budget on June 19, 2002. This budget includes a \$782,437 (10.3%) increase from Fiscal Year 2002, enhancing current emergency medical services provided to the residents of San Diego. The Annual Fiscal Year 2003 Budget includes an addition of 1.75 positions, which will be responsible for implementing quality improvement audits, identifying areas of excellence and trending patient care for continuous quality improvements. A new training manager will provide administrative support and guidance to instructors presenting quality training opportunities for 350 paramedics and 750 Emergency Medical Technicians (EMT) within the organization.

These positions were previously performed utilizing temporarily assigned, light duty personnel or on an overtime basis. The quality improvement audit specialist identifies areas of excellence and trends patient care for continuous quality improvement. The training manager will provide administrative support and guidance to instructors presenting quality training opportunities for 350 paramedics and 750 EMTs within the organization.

Funding for personnel assigned to ambulance units previously funded by SDMSE profit was approved for addition to the Annual Fiscal Year 2003 Budget. These changes include adding the paramedic from the Paradise Hills ambulance and the firefighter/paramedic and EMT from the Carmel Valley ambulance to the base budget. Funding also included General Fund support for the firefighter/paramedics and EMTs from the Scripps Ranch and Tierrasanta ambulance units.

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Three projects were recommended and approved for the Annual Fiscal Year 2003 Budget:

- The remodel approved for the administrative office will reduce the overcrowding and provide workstations for support staff to effectively perform their job responsibilities.
- The purchase of new computer software will support the paperless, pre-hospital patient information system.
- The remodel at Fire Station 39 (Tierrasanta) which is supported by the General Fund, will provide additional sleeping quarters for personnel assigned to the ambulance.

Revenue sources for the SDMSE Annual Fiscal Year 2003 Budget include:

SDMSE, LLC Fees	\$6,921,642
Fiscal Year 2001 Profit	\$ 165,803
Fiscal Year 2002 Profit	\$ 264,385
Reimbursements from General Fund/Other Funds	<u>\$1,500,000</u>
TOTAL REVENUE	\$8,851,830

Neighborhood Services

Neighborhood Services represents the City of San Diego's budget priority to invest in neighborhood facilities and services in Fiscal Year 2003. Some of the services include the Library System, Parks and Recreation and public right-of-way maintenance.

Community and Economic Development

The Community and Economic Development Department is responsible for a broad range of programs and projects that support and revitalize San Diego's communities. The



Community Services Division is responsible for numerous community programs, such as Homeless Services, Community Development Block Grants, Disability Services, and the award-winning "6-to-6" Extended School Program. In Fiscal Year 2003, Community Services Division's responsibilities are expanding to include the Clean Syringe Exchange Pilot Project, the new "Kiddie Hall" Childcare Center serving downtown, the Medical Cannabis Program, and the Youth Commission. City of San Diego employees and other employees working downtown will be able to take advantage of the services of the new "Kiddie Hall" Childcare Facility and Playground. Further, the Division will complete construction of the Cortez Hill Family Center and begin to accept homeless family clients.

The Economic Development Division was recently honored by the International Economic Development Council for its role in San Diego being named as Forbes Magazine's "Number 1 City for Business and Careers." In Fiscal Year 2003, the Division's many business

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assistance programs will be augmented by a new \$3.0 million Revolving Loan Fund (RLF) program facilitated by the receipt of a \$1.5 million grant from the Federal Economic Development Administration and \$1.5 million in matching funds from the City. Matching funds are proposed to come from budgeted and optional Redevelopment Agency loan repayments and a match from partner cities Chula Vista, Imperial Beach, or National City depending on the project location. The RLF is one of several tools available to encourage small business development. The new RLF will target the under-served small business market to provide financing and to leverage private investment in low-and moderate-income level areas. Through the establishment of the RLF Program, San Diego will be able to participate in projects that create economic growth, lead to permanent jobs, and cultivate the development of small business and mixed-use projects through capacity building and private leverage.

A one-time appropriation of \$280,000 of revenue has been added for Fiscal Year 2003 to meet build-out costs associated with the health and safety requirements for State Community Care Licensing Title XXII standards for the downtown Kiddie Hall Child Care Facility and Playground. There is also an addition of 1.00 Community Development Specialist IV position and offsetting revenue of \$88,094 to manage and administer the RLF Program in the Economic Development Division.

The Redevelopment Division, which is responsible for nine of the City's 15 redevelopment project areas, completed, broke ground, or finalized negotiations on more than a dozen projects during Fiscal Year 2002. In Fiscal Year 2003, the Redevelopment Division will continue these many community projects, and in addition is partnering with the Housing Commission, the Southeastern Economic Development Corporation, and the Centre City Development Corporation to issue upwards of \$55 million worth of bonds to build thousands of new affordable housing units.

Library

Building a Library System is a high priority for the Mayor and City Council, and plays an important role in the Annual Fiscal Year 2003 Budget. In accordance with the Library Ordinance, the Library's Annual Fiscal Year 2003 Budget of \$36,650,651 is five percent of the entire General Fund budget. Additional Fiscal Year 2003 funds of nearly \$4.0 million dollars will be used to open and operate the new Mission Valley Branch Library, expand the Environmental Services Department library, improve technology, and complete prioritized deferred maintenance on various libraries.



Council Policy 100-19, Annual Appropriation for Library Operation and Maintenance, and Municipal Code section 22.0228 address the need for adequate library funding while retaining the necessary discretion in the City Council to annually appropriate the General Fund for all of the City's needs. For the Annual Fiscal Year 2003 Budget, the City Manager is directed to provide a Library Department operating budget proposal equal to 5.0 percent of the City's General Fund, increasing by one-half percent each year until an amount equal to 6.0 percent of the General Fund is reached. The Council Policy states that the City Council shall endeavor to retain the annual level of funding in the adoption of the final budget ordinance each fiscal year. Per the ordinance, the Library Department has developed a four-year plan to enhance the library system and the services it provides to the City's neighborhoods.

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In his 2001 State of the City Address, Mayor Murphy outlined a vision for an improved library system. The Mayor partnered with Councilmember Madaffer and asked him to develop an approach to implement his goal of building a strong, comprehensive library system. In early 2001, the Natural Resources & Culture (NR&C) Committee began work on implementing the Mayor's goal by holding a series of meetings to review the state of the Library Department and its buildings and services. On January 22, 2002, based on the recommendations of the NR&C Committee, the City Council selected the Main Library, Logan Heights and San Ysidro branch libraries for application to the State Library for Proposition 14 grant funding.



On July 30, 2002, the City Council approved a list of main and branch Library improvement projects that were set forth in the Manager's Report dated July 10, 2002. Further, the City Manager will return to the City Council with a financing plan in the fall of 2002 and with a Library System Project Management Team that will be dedicated to keeping the library system construction on time and under budget.

In Fiscal Year 2003, this plan includes the following:

Mission Valley Branch Library

The 19,760 square foot Mission Valley Branch Library, which opened on July 20, 2002, has already won awards from the San Diego chapter of the American Institute of Architects for Best Institutional Design (architecture) and Best Divine Details (public artwork installations). The site includes a meeting room, seminar rooms, a children's library, an outdoor patio with a children's garden which has a flowing river sculpture, a computer lab, and a mezzanine and terrace. The branch has two express Internet terminals, four homework centers with filtered computer Internet access for children under 18, and a computer lab with 12 Internet terminals.

Open longer hours than any other public library in the county (Mon – Fri, 10am-10pm; Sat, 10am-6pm; Sun, 2pm-10pm), daily patron counts indicate that almost 1,000 people visit the branch on an average day. The branch's collection consists of nearly 45,000 items, including books, magazines, videos, DVDs, CDs, and audiocassettes. It is estimated that the branch will circulate over 240,000 items this year.

Environmental Services Library

With increased staff in Fiscal Year 2003, the Environmental Services Library was able to expand its hours in providing information services related to environmental issues. It provides education and outreach to schools, businesses, government and environmental groups. With over 90 percent customer satisfaction rate, the library has developed strong partnerships with San Diego State University, San Diego Gas and Electric (SDG&E) and the San Diego Unified School District.

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Library Materials

With a Fiscal Year 2003 increase of \$185,144, the amount of funds budgeted for library materials since Fiscal Year 2000 has more than doubled. A library materials' budget total of \$3,617,011 will allow the Library Department to focus on implementing its goal, contained in the Department's strategic plan, to "make the library's collections, both traditional and electronic, fully responsive to community needs." The Library Department will continue to broaden its collection scope to include more of the materials that are in demand by San Diegans.

Technology

In Fiscal Year 2003, an additional \$154,071 has been budgeted to upgrade or replace 17 computers throughout the library system. Additionally, this will provide initial funding for a next generation Integrated Library System (ILS) which includes an on-line public access catalog, access to library databases, as well as non-public components such as on-line ordering for library materials. The Library Department is currently working with the San Diego Data Processing Corporation to procure the new system to begin implementation by the end of Fiscal Year 2003.

Next generation ILS packages typically include a Web portal which provides the entry to the library's full range of services. Information is provided about the institution such as hours, locations, special services and programs. The portal also serves as the point of entry to the catalog and any special subscription database services the library provides. From home, via the Internet or from inside the library, users can perform online all the functions of the traditional library, plus many more that until the advent of the Internet and digitized information were unavailable. Library users are no longer confined to just the resources of the printed materials that happen to be available at that time in their neighborhood library. The Web Portal provides access to entire electronic libraries of books, government documents and digitized images from many libraries. This information can be viewed online, downloaded to a Personal Digital Assistant or e-book reader, or it can be printed. The ability to access the library's resources through Web portal technology greatly improves the public's ability to find the information and services they need to educate themselves. This empowers residents to find solutions to the problems and other issues that affect their lives.



Deferred Maintenance

In Fiscal Year 2003, \$1.0 million has been allocated to improve library facilities and provide welcoming environments to San Diegans. These improvements will include Americans with Disabilities Act (ADA) retrofitting, roofing, interior and exterior painting and carpeting. Energy-saving improvements such as efficient lighting, heating and air-conditioning will also be implemented.

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Park and Recreation

The Annual Fiscal Year 2003 Budget reflects a reorganization of the Park and Recreation Department that will allow for more attention given to the functions of park planning and open space with the creation of two new divisions for these focus areas. Several options for a restructure were presented and discussed during the Department review by the City Council Budget Work Group chaired by Councilmember Scott Peters. The functionally based reorganization adopted is in response to City Council and community input. There is no net fiscal impact to the General Fund for the reorganization.

The following is a divisional breakdown of the organizational changes, including those changes previously detailed in the Fiscal Year 2003 Proposed Budget.

Park Planning

The Park Planning Division was created to address capital projects on park land which have increased dramatically in the past few years, primarily due to the passage of the 2000 and 2002 State park bonds, growth in joint-use areas on school sites, and an increase in private donations, requiring more attention to park planning. The Council Budget Work



Group, during its in-depth review of the Department, recommended more focus on park planning and capital projects oversight. Updating the Recreation Element of the General Plan as part of the Strategic Framework will also be a major effort for this new division. The Department's Development Office and related grants staffing will be transferred from the Administrative Services Division to the new Park Planning Division.

Added to the new division is 1.00 new Park Designer position to assist with streamlining the design and construction of skate park projects citywide, and \$800,000 for matching funds for grants to secure more competitive grant awards for the city. At a minimum, the Department expects a dollar-for-dollar return for these matching funds.

Open Space

Since 1990, there has been a 30 percent increase in park open space acreage. With this increase, there has been a significantly higher level of public recreational use of the open space lands. It is estimated that more than one million people visit city open space parks annually. The Mayor's Goal #10, "Complete MSCP Open Space Acquisition", will result in more open space acres to be managed. In addition, on July 18, 2001, the Natural Resources & Culture (NR&C) Committee adopted the recommendation of the Citywide Canyon Sewer Maintenance Task Force and approved the creation of "an entity responsible for canyon oversight" for activities on park and non-park lands.

Given the overall level of open space within the Maintenance Assessment Districts (MADs), responsibility for the MADs will shift from the eliminated Special Services Division to the Open Space Division. A minimal amount of administrative support necessary for this new Division is reimbursed from the Environmental Growth Fund.

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Included in this new Division is 1.00 additional Senior Planner position for improved coordination with other departments that own and manage open space lands. Based upon the level of necessary coordination and management of the 2,100 acres in local open space canyons with sewer infrastructures, as well as a comprehensive land management plan for the watershed lands, this new liaison position was recommended by the Council Budget Work Group. This position will be reimbursed by the Water Fund.

Community Parks Divisions

Two divisions were created that each focus on meeting the community-based recreation needs for four City Council Districts. The Council Budget Work Group supported this functional operation approach to facilitate communication and accountability with the elected officials. The scope is community-based recreation programming and operations for their respective areas, including community parks, neighborhood parks, mini parks, and school-site joint use operations. Community Parks I serves districts one, two, five, and six, as well as have responsibility for Mount Hope Cemetery, Centre City Maintenance, Citywide Special Event Support, and the future Naval Training Center (NTC) Park. Community Parks II serves districts three, four, seven, and eight and also would be responsible for Disabled/Senior Services, Citywide Aquatics, and Volunteer Coordination.



Developed Regional Parks

The new Regional Parks Division has responsibility for managing and maintaining Mission Bay and Balboa parks, city beaches and shoreline parks, Presidio Hill, and citywide maintenance services (e.g., mowing and sweeping, park forestry, and pesticide management). The Balboa Park and Mission Bay Park ranger programs will be a part of this Division.

Administrative Services

The former Management Division was renamed for consistency with other departments and to better reflect the support function it serves.

Golf Operations

With the elimination of the Special Services Division, this function now reports directly to the Park and Recreation Department Director.

New and Annualized Facilities

The Park and Recreation Department provides a multitude of facilities and services for neighborhoods and plays a key role in the quality of life for the community. The Department manages three major elements: Parks, Recreational Facilities, and Recreational Programs. With over 35,000 acres of parks, open space and aquatic areas available throughout the City, the department provides a wide variety of opportunities for San Diegans to renew mind, body, and spirit in healthful outdoor settings.

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The Annual Fiscal Year 2003 Budget includes the addition of 10.01 positions and support costs totaling \$1.31 million for 35 new park and recreation facilities listed below. Some sites will open after July 1, 2002 and are budgeted for partial year funding only, with position annualization expenses to occur in Fiscal Year 2004.

- 39th Street Park
- Adams Park and Ride
- Adobe Bluffs
- Ashley Falls
- Black Mountain Open Space (Santa Luz area, additional acreage)
- Cabrillo Heights Dog Park
- Cadman Community Park Off Leash Dog Park
- Capehart Off Leash Dog Park
- City Heights Children's Mall
- Doyle Community Park Off Leash Dog Park
- Dusty Roads Park Dog Off Leash Area
- Grape Street Park Off Leash Dog Park
- House of Puerto Rico
- House of Spain
- J Street Mini Park Playground
- Kearny Mesa Park Off Leash Dog Park
- La Mirada Elementary Joint Use
- Lake Murray Community Park Tee Ball Field
- Lewis Middle School Joint Use
- Lindbergh Park Restroom Upgrade
- Maddox Neighborhood Park Off Leash Dog Park
- Marie Widman Comfort Station
- McKinley Elementary Joint Use
- Mission Beach Boardwalk Widening
- Mission Trails Open Space (additional acreage)
- Mission Trails Equestrian Staging Area
- Morley Field Off Leash Dog Park
- Mountain View Community Park Expansion
- Nates Point Off Leash Dog Park
- North Chollas Community Park - Phase 1A
- North Chollas Community Park - Phase 2 and Ball Fields
- Open Space Maintenance (additional acreage)
- Princess del Cerro Tot Lot Expansion
- Torrey Highlands Off Leash Dog Park
- Torrey Pines Elementary Joint Use

The annualization of 12.67 positions and support costs that were partially funded in Fiscal Year 2002, totaling \$708,600, are also included for 20 new park and recreation facilities. The annualized facilities include:

- Balboa Park Arcades
- Bayview Terrace Elementary Joint Use
- Famosa Slough Water Filtration System
- Founders Plaza
- House of Iran/Italy Landscape
- Kate Sessions Tot Lot Upgrade

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La Jolla Cove Restroom Expansion
Lopez Ridge Neighborhood Park
Ocean View Hills Neighborhood Park
Park De La Cruz
Presidio Park Palm Canyon
Robb Field Restroom
Sail Bay Walkway Landscaping
Silver Terrace Park
South Kellogg Restroom Expansion
Robb Field Skate Park - Expanded Use/Safety
Tecolote Recreation Center Restroom Expansion
Teralta Park
Veterans Memorial Garden
Vista Pacifica

Transportation Department - Street Division

The Transportation Department's Street Division maintains and repairs all streets, alleys, sidewalks, and bridges in the city; cleans and repairs drain inlets, pipes, and channels; sweeps commercial and residential streets; maintains and repairs all city street lights and traffic signals; performs traffic lane striping; paints and removes traffic markings and legends; maintains and manufactures traffic signs; and maintains the city's parkway trees.



Although the Division is responsible for the various programs listed above, resource priority is given to right-of-way maintenance, with approximately 34 percent of the Division's budget allocated to this program. To improve the quality of the City's more than 2,800 miles of roadways, 23 miles of streets were resurfaced and 101 miles of streets were slurry sealed in Fiscal Year 2002. In Fiscal Year 2003, it is anticipated that approximately 26 miles of streets will be resurfaced and 105 miles of streets will be slurry sealed. This increase is due in part to the addition of \$2.3 million for right-of-way maintenance. While several major thoroughfares made up a large part of the Fiscal Year 2002 street maintenance projects, it is anticipated that the Fiscal Year 2003 program will contain more residential streets, thereby improving the appearance of City neighborhoods.

The importance of the right-of-way maintenance program extends citywide through utility divergence coordination with both city and private utilities, and via repair of streets after water and sewer pipeline projects. The Street Division coordinates the exchange of information pertaining to utility projects in order to minimize trenching of newly resurfaced or slurry sealed streets. Diverging Street locations are put on hold and checked regularly until cleared for maintenance. The Metropolitan Wastewater and Water Departments routinely include asphalt or asphalt/concrete repairs in their pipeline projects. Approximately \$8.7 million was expended in Fiscal Year 2002 and in Fiscal Year 2003 \$12.0 million is included for both departments in their capital improvements projects for street restoration, which can include resurfacing, asphalt overlay after trenching, slurry sealing, spot repairs, striping, curb and gutter work, sidewalk improvements, or construction of pedestrian access ramps.

The Transportation Department continues to commit considerable resources to right-of-way maintenance, establishing the program as a high priority in the provision of neighborhood services.

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Conversion of Street Lights

In February 2002, the Mayor and City Council directed the City Manager to develop a plan to convert existing streetlights from low pressure sodium (LPS) to high pressure sodium (HPS) over a five year period. Of the citywide inventory of 40,025 street lights, 26,005 are LPS and 14,020 are HPS. Approximately 2,038 LPS lights within a 30 mile radius from Mount Palomar Observatory will not be converted to HPS; therefore there are 23,967 street lights to be converted to HPS over the five year period. In Fiscal Year 2003, an estimated 4,600 of the 23,967 LPS lights are anticipated to burn out. The cost to convert 4,600 LPS lights to HPS is \$575,000.

Funding to convert LPS lights to HPS lights has been identified in CIP 61 201.0 (\$720,000) and in Street Division Fiscal Year 2003 Operating Budget (\$62,500). The funding in CIP 61 201.0 is anticipated to be the following:

Mayor	\$100,000
Council District 2	\$ 50,000
Council District 3	\$270,000*
Council District 4	\$200,000
Council District 7	\$ 50,000
Council District 8	\$ 50,000

* Includes \$200,000 of federal Housing and Urban development Section 108 Loan funding, contingent upon City Council approval of the loan.

The \$720,000 contributed by the Mayor and Council Offices pays for the conversion of approximately 5,760 LPS lights to HPS lights. Street Division is on schedule to convert a minimum of 4,600 LPS lights to HPS lights in Fiscal Year 2003 utilizing existing personnel without adversely impacting the day to day maintenance operations. Street Division will convert the majority of the 5,760 LPS lights in Fiscal Year 2003 with the balance of the lights converted in early Fiscal Year 2004.



Additionally, the \$62,500 in Street Division will be used to convert the first 500 burned out LPS lights to HPS lights citywide. In addition, the Street Division Fiscal Year 2003 Operating Budget includes \$98,400 to replace 4,100 LPS lights with LPS lights when they burn out. However, due to the priority of converting LPS street lights to HPS, the Street Division will identify the amount of this allocation that can be used for the conversion rather than replacing burned out LPS lights. A portion of this budget will be needed to replace the burned out LPS lights within the 30 mile radius of Mount Palomar Observatory. Given the total funding available at this time, approximately 6,260 LPS lights will be converted to HPS. lights by early Fiscal Year 2004.

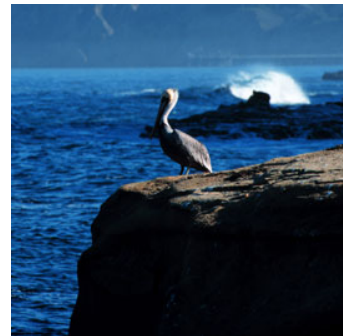
Protection and Enhancement of the Environment

Protection and Enhancement of the Environment continues to be a budget priority for the City of San Diego in Fiscal Year 2003. Acquisition of open space, storm water pollution prevention, clean water, and a safe and efficient regional sewerage system are essential to protecting the City's beaches, bays, and land. In addition, a new Urban Forestry Program has been implemented in Fiscal Year 2003 to protect and sustain the City's urban forest.

Water

Within the City of San Diego are rich and diverse environmental resources including parks, open spaces, beaches, and bays. It is essential that these resources are protected for San Diego's citizens. Acquisition of open space, storm water pollution prevention, clean water, and a safe and efficient regional sewerage system are essential to protecting these valuable resources.

The Water Department is responsible for providing the best quality of water to residents of San Diego in a professional and effective manner. By doing so, public health, the environment and quality of life are enhanced for all City water customers. The Department receives no revenue from sales or property taxes, and operates solely on funds derived from water rates and service charges. These funds are administered in an enterprise fund separate from the City's General Fund, in accordance with City Charter provisions.



In Fiscal Year 2003 the Water Department will continue to address the ongoing storm water and watershed protection issues. The Water Department's new storm water training program for its employees works hand in hand with the goals and objectives set forth in the San Diego Regional Water Quality Control Board's storm water permit. Additional training and education materials for both employees and consumers will be developed to highlight the everyday changes they can make in their workplace, homes and businesses to protect local surface reservoirs and groundwater basins.

The Water Department will be developing Watershed Management Plans for San Diego, San Dieguito, Otay and Tijuana Rivers as well as the Peñasquitos area and will participate in the development of Watershed Urban Runoff Management Plans for additional watersheds where the Department has water resources.

Working in coordination with the Metropolitan Wastewater Department, the Water Department will continue to maximize the output of the City's water reclamation facilities which include the 30 million gallon per day (mgd) North City Water Reclamation Plant and the new 15 mgd South Bay Water Reclamation Plant. New customers, such as golf courses and businesses, will be able to utilize recycled water rather than potable water as the recycled distribution system expands throughout the City. It is anticipated that recycled water sales from these plants will exceed 12,000-acre feet by 2010.

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Metropolitan Wastewater

The Metropolitan Wastewater Department (MWWD) has made significant strides toward cleaning up our beaches and bays and is focused on preventing sewage spills and minimizing the collective impact these spills have on the environment. With the Fiscal Year 2002 mid-year City Council approved addition of \$5.5 million and 67.00 positions, MWWD has developed a system-wide preventative-maintenance cleaning schedule for roughly 3,000 miles of municipal sewer lines. Because portions of the system are cleaned more than once a year, this will result in the cleaning of approximately 4,500 miles of sewer lines over the next two years. This mileage estimate provides for a complete cleaning regimen for the entire system that will run parallel with existing cleaning schedules, including the non-rights-of-way portions such as those identified in the Canyon Access Program, as well as problematic rights-of-way pipe sections as they are identified.

In addition to the focus on municipal sewer main cleaning, a televising assessment program has also been initiated as part of the Capital Improvements Program for the approximately 800 to 1,000 miles of municipal sewer pipeline that are over 50 years old. By concentrating on these older sections of pipeline, as well as ramping up the rehabilitation and replacement of deteriorated pipelines from the current 15 to 20 miles per year to 60 miles per year by 2004, the department will continue to work towards the goal of reducing sewer spills from 10.3 to 6.6 spills per 100 miles of sewer by the end of Fiscal Year 2007.

MWWD has also dedicated \$2.4 million and 20.00 positions in Fiscal Year 2003 to support the repair and replacement of damaged sections of sewer mains and interceptors encountered during condition assessment inspections and routine maintenance of the municipal sewerage system. As these problematic sections of pipe are discovered, the additional staff will perform this main and interceptor repair that is either too time sensitive or too small in scope for the Department's Capital Improvements Program.

With the much larger ocean monitoring area that now includes the South Bay Ocean Outfall and stations as far as five miles below the international border, the Fiscal Year 2003 Annual Budget also includes \$1.0 million for ocean monitoring and laboratory studies to better evaluate the effects of discharge into the Pacific Ocean for process control and regulatory reporting purposes.

Storm Water Pollution Prevention Program



The Storm Water Pollution Prevention Program has been designated as the lead in achieving both the Mayor's Goal #4 *Clean up our beaches and bays*, and compliance with the municipal storm water National Pollutant Discharge Elimination System (NPDES) Permit issued by the Regional Water Quality Control Board in February 2001.

The NPDES Permit requires the City to develop and implement a jurisdictional Urban Runoff Management Program (URMP), adopted in January 2002 to accomplish a number of tasks for which the City is not currently funded. These include items such as industrial, commercial, and construction inspections, routine storm drain cleaning (proactive versus reactive),

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expansion of the street sweeping program, updating inventories of storm drains, construction sites and other relevant data, and developing, implementing and maintaining storm water best management practices.

The current Storm Drain Fee generates approximately \$6.0 million in revenue annually. The City's General Fund has initially supported the Urban Runoff Management Program but Storm Drain user revenues should eventually fund the entire program.

Should the City choose to fund the program by increasing Storm Drain Fees, the fee structure must be revised. When the fees were first implemented, there was no evaluation of fee proportionality or equity issues, as is now required by XIID of the California State Constitution (Proposition 218). Storm Drain Fees must legally be based on the proportional cost of the service attributable to the parcel, not on water consumption.

The Storm Water Prevention Program is currently working with the Mayor's Clean Water Task Force to explore potential options for consideration by the Mayor and City Council during Fiscal Year 2003.

In Fiscal Year 2002, \$27.3 million was budgeted for the URMP, including funds allocated to the General Services Department, Storm Water Pollution Prevention Program; Transportation Department, Street Division; Environmental Services; Metropolitan Wastewater; Water; Planning; and Development Services departments. In Fiscal Year 2003, \$27.3 million is budgeted once again.

Multiple Species Conservation Program (MSCP)

For Fiscal Year 2003, the total General Fund budget for MSCP is \$1.3 million which will help reach the MSCP goal of conserving 52,012 acres, including both publicly and privately conserved land, by the year 2007. To date, the Program has conserved approximately 47,931 acres. Acreage acquisition needed to meet the goal is approximately 4,600-5,200 acres, depending on the total acreage acquired through local, state and federal acquisitions and private donations.

In Fiscal Year 2003, MSCP staff will continue to assure compliance with the City's contractual responsibilities as stated in the MSCP by: completing the acquisition of the Del Mar Mesa key acquisition area; initiating acquisitions of the 2,100 acre East Elliott acquisition area; continued baseline monitoring of endangered plants and animals; review of land development projects impacting lands within the MSCP (estimated 175 projects); initiating a comprehensive effort to inventory vernal pools throughout the City (paid for by a federal grant); completion of four area specific biological management plans; and tracking the loss and gain of habitat associated with development project approval.

The Park and Recreation Department is responsible for the preservation and management of existing and newly acquired acreage of native vegetation areas in regional and open space parks and canyons. The department must continue to maintain a workable balance between preservation of natural resources and allowing the general public access to natural preserves for passive recreation.



Budget Priorities

Open Space

With the Park and Recreation reorganization, several exciting changes are planned for Fiscal Year 2003 for the City's open space areas. Along with the reorganization changes, new staffing and resources are added in the Fiscal Year 2003 Annual Budget to help keep pace with the growth in open space acreage and facilities. The additions include 2.00 Park Rangers for additional acres in Mission Trails, Black Mountain and various other areas and 0.42 Grounds Maintenance Worker for an equestrian staging area. Also included in Fiscal Year 2003 is a transfer from the Environmental Growth Fund (EGF) to the Los Peñasquitos Fund to stabilize revenue sources to maintain current levels of service at the Los Peñasquitos Canyon Preserve.

These additional resources and the current open space staff will work together to perform the following major functions to protect and enhance the City's natural environment.

- Land management responsibilities including signage, patrol, trash and weed removal, on-site mapping and inventory of resources for biological preservation
- Environmental education
- Trail design and restoration
- Staff liaison with Real Estate Assets Department (READ) and Planning Department's MSCP section on open space land acquisitions, sales and development
- Habitat restoration and enhancement
- Public outreach and support to advisory bodies (such as the newly created Canyon Management Committee)
- Volunteer coordination
- Coordination with utility departments to develop routine and emergency procedures for accessing utilities located in open space areas
- Code enforcement
- Establishment and enforcement of guidelines and ordinances for the management of open space
- Brush Management
- Erosion control
- Develop and update natural resource management plans and master development plans for such entities as Otay Valley Regional Park, Mission Valley Preserve and various open space, regional parks and preserves
- Implement development of various entities such as Otay River Valley Regional Park, Black Mountain Open Space and Mission Valley Preserve and proposed San Diego River Valley Park

Budget Priorities

- Staff liaison to various land management committees and advisory bodies
- Review of proposed open space acquisition via the land development process
- Coordination and planning of public access trails through the open space Management of mitigation projects, riparian enhancement projects and historical restoration projects

Other major efforts that will continue in Fiscal Year 2003 for protection and enhancement of the environment are preservation of park forestry, conserving water and energy, and recycling items including greens. The Park and Recreation Department will also continue to implement and improve Best Management Practices to eliminate potential damaging substances from entering the parks' storm drain systems to improve the water quality of the City's beaches and bay.

Urban Forestry Program

The City of San Diego's Urban Forestry Program promotes, protects and sustains the City's urban forest. The maintenance aspect of the program includes trimming, planting, and inventory of trees along streets, sidewalks and other City rights-of-way. Program goals include continued efforts to reduce costly damage to sidewalks and streets from overgrown tree roots through research and planning. The Urban Forestry section works closely with the Tree Advisory Board and nonprofit organizations in the development and implementation of policies and procedures to increase the number of trees in the City and expand the urban forest.



This program supports three of the Mayor's goals by improving the appearance of our neighborhoods, helping to manage urban runoff and thereby cleaning our beaches and bays, and reducing air temperature to aid in pursuing energy independence. While trees retain heat during the winter, they help reduce the ambient air temperature in the summer by shading asphalt surfaces, producing oxygen, and reducing carbon monoxide. Trees help to reduce dust in the air, are a natural erosion control and slope stabilizer, and provide a food source and habitat for wildlife. Like a natural forest, an urban forest is an entire ecosystem. However, an urban forest needs help from people to survive.

To this end, the Street Maintenance Division has expanded the program in Fiscal Year 2003 to include an assertive public outreach campaign. The goal is to educate the City's residents on the practical benefits of trees, primarily energy savings, pollution reduction and property enhancement. Financial commitments from other government agencies, corporations, and individuals will also be sought to promote and sustain the urban forest.

A total of approximately \$1.2 million is allocated from a mix of funding sources for the Urban Forestry Program: Community Development Block Grants, TransNet Infrastructure Fund, General Fund, grant funding, private contributions, and parts of other existing capital improvement projects. The Urban Forestry Program was added midyear to the Fiscal Year 2003 Capital Improvements Program Budget as CIP 52-445.0 as a result of Council Resolution R-296890, adopted July 29, 2002. The planting of over 5,000 trees in Fiscal Year 2003 will accomplish the Mayor's current goal and help improve the quality of life for all citizens.

